GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:2972
ANSWERED ON:20.03.2017
Delay in Payment of Compensation
Yadav Shri Laxmi Narayan

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a)whether the Government has laid down any provision for paying 12 per cent interest in case of delayed payment of compensation to the workers;
(b)if so, the details in this regard;
(c)the year-wise and State-wise number of complaints received in regard to payment of compensation to the workers and their families during the last three years; and
(d)the action taken on the said complaints, State-wise?

Answer

MINISTER OF STATE (IC) FOR LABOUR AND EMPLOYMENT
(SHRI BANDARU DATTATREYA)
(a) & (b): There is a provision under sub-section (3)(a) of Section 4A of the Employees' Compensation Act,1923, where any employer is in default in paying the compensation due under this Act within one month from the date it fell due, the Commissioner shall direct that the employer shall, in addition to the amount of the arrears, pay simple interest thereon at the rate of twelve per cent. per annum or at such higher rate not exceeding the maximum of the lending rates of any scheduled bank as may be specified by the Central Government, by notification in the Official Gazette, on the amount due.

(c) & (d): The implementing/enforcing agencies under the Employees' Compensation Act, 1923 are the concerned State Governments who are empowered to appoint 'Commissioners' under Section 20 of the said Act. There is no need for State Governments to send complaints to Central Government, as they are redressed through the State Labour Commissionorate. Therefore, no such information is maintained by Central Government centrally.
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